

M e m o r a n d u m

To: Panel Members

Date: June 22, 2007

From: Diana Torres, Manager

Analyst: J. Davey

Subject: One-Step Agreement for **COMPREHENSIVE TRAINING SYSTEMS, INCORPORATED (W2W)**

CONTRACTOR:

- Multiple Employer: Training Agency
- Training Project Profile: Job Creation: Training Of Unemployed Workers Welfare To Work
- Legislative Priorities: Displaced/Potentially Displaced Workers Welfare to Work (CalWORKs) trainees
- Type of Industry: Various Industries
- Repeat Contractor: Yes
- ETP Trainees Represented by Union: No
- Name and Local Number of Union Representing ETP Trainees: N/A

CONTRACT:

- Program Costs: \$548,267
- Substantial Contribution: \$0
- Multiple Employer Support (8%) \$35,079
- Total ETP Funding: \$583,346
- Total In-kind Contribution: \$0
 - *Trainee Wages Paid During Training:* \$0
 - *Other Contributions:* \$0
- Reimbursement Method: Fixed-Fee
- County(ies) Served: San Diego
- Location of Training: 100% Center Based; 0% Employer Site

INTRODUCTION:

Comprehensive Training Systems, Incorporated (CTS), is a non-profit, community-based organization that has been providing employment training services since 1985. It conducts classes in Computer Repair and Office Administration for private-pay and Workforce Investment Act trainees. CTS operates training facilities in San Diego, Oceanside and Imperial Beach. CTS has current approval from the Bureau for Private Post Secondary and Vocational Education for the several different types of training in this proposal. CTS is eligible to provide ETP training as a training agency with a history of providing training and placement services to the public under Unemployment Insurance Code Section 10205 (c)(2) as a training agency. CTS requests funds under Title 22, California Code of Regulations (CCR), Section 4414 as a training project meeting the statutory requirements to foster job creation for new hires.

MEETING ETP GOALS AND OBJECTIVES:

CTS proposes training that will further the following ETP goals and objectives:

- 1) Training focuses on training unemployed workers in industry specific training for specialized occupations that will lead to long-term, full-time employment. Therefore, this project meets ETP's legislative priority to fund training that will result in secure jobs for those who successfully complete training.
- 2) Training is targeted to foster the goal of creating skilled jobs at higher than average wages for workers who are hard-to-employ, have limited reading and math skills, and have multiple barriers to employment. By upgrading the employment skills of these workers, training will meet ETP's legislative mandate to invest in creating a skilled and productive workforce.
- 3) This training plan concentrates on workers who have been laid-off; therefore, it meets the legislative priority of training workers who have been displaced.
- 4) Training is targeted to foster the goal of creating jobs for current/former CalWORKs recipients who are hard-to-employ, may have limited reading and math skills, and have multiple barriers to employment. By upgrading the employment skills of these workers, training will meet ETP's legislative mandate to invest in creating a skilled and productive workforce.

TRAINING PLAN TABLE:

Grp/Trainee Type	Types Of Training	No. Retain	No. Class/Lab Videocnf. Hrs.	No. CBT Hrs.	Cost Per Trainee	Hourly Wage After 90 Days
New Hires Job Number 1	Commercial Skills	82	262	0	\$4,739	*\$10.75 - \$19.00
New Hires Job Number 2	Manufacturing Skills	22	195	0	\$3,527	*\$10.75 - \$18.00
W2W New Hires Job Number 3	Commercial Skills	21	262	0	\$4,739	*\$9.00 - \$15.00
W2W New Hires Job Number 4	Manufacturing Skills	5	195	0	\$3,527	*\$9.00 - \$14.37
Wages After 90-Day Retention						
Occupation						
Medical Assistant						
Medical Insurance Biller						
Property Maintenance Worker						
Manufacturing Worker						
Medical Assistant (W2W)						
Medical Insurance Biller (W2W)						
Property Maintenance Worker (W2W)						
Manufacturing Worker (W2W)						
<u>Health Benefits Used To Meet ETP Minimum Wage:</u>					<u>Turnover Rate</u>	<u>% Of Mgrs & Supervisors To Be Trained:</u>
*Health Benefits of at least \$ 1.00 per hour may be added to the base wage to meet the ETP minimum hourly wage of \$10.75 for new hire trainees and \$9.00 for W2W trainees in San Diego County.					N/A	0%
<u>Other Employee Benefits:</u>						
Pension and other employee benefits will vary among employers.						

COMMENTS / ISSUES:

➤ ***W2W Trainee Wage Waiver***

The ETP minimum new hire wage for San Diego County is \$10.75 per hour. CTS requests a wage modification for Job Numbers 3 and 4 W2W trainees based on the Panel guidelines for this hard-to-serve population. CTS proposes to place at least 50 percent of the total W2W trainees (13 trainees) at no less than \$9.00 per hour and the remaining 50 percent (13 trainees) at no less than \$10.00 per hour. This would reduce the ETP minimum wage by 2% to 20%, well within the 25% factor set forth in the Panel's guidelines.

CTS reviewed placement records to date for 48 trainees who have been placed (inclusive of health benefits) and reports the percentage of trainees placed at each wage range as follows:

Property Building Maintenance ET06-0101	Production Worker ET06-0101	Medical Billing Clerk/ Receptionist/ Medical Assistant ET06-0101
\$10.00 - \$11.99 = 10%	\$10.00 - \$11.99 = 89%	\$10.00 - \$11.99 = 46%
\$12.00 - \$19.00 = 90%	\$13.00 - \$19.00 = 11%	\$12.00 - \$16.00 = 54%

CTS reports that wage increases of \$1.00 per hour are common six months following retention for medical billing clerks/receptionists/assistants and an additional \$2.00 per hour wage increase a year after retention. CTS states that medical billing clerks and receptionists typically advance to certified coder, medical specialist, and supervisor positions with wages increases ranging between \$18 and \$25 per hour. Building maintenance workers usually realize an increase of at least \$1.00 per hour six months following the 90-day retention period and an additional \$3.00 per hour increase a year after retention. Many building maintenance workers also receive an average of up to \$9,504 as an annual benefit for employer-subsided housing. CTS further reports that building maintenance workers can advance to become property management supervisors.

➤ ***Frontline Workers***

All participants in this project meet the Panel definition of frontline workers under Title 22, CCR, Section 4400(ee).

➤ ***Training Costs***

CTS's request for reimbursement falls within the Panel's funding cap of \$4,740 for new hire trainees.

COMMENTS / ISSUES: (continued)

➤ ***Apprenticeship***

Building Maintenance Worker

The Panel's Apprenticeship Regulation, 4403.1 requires that "the Panel shall not fund training projects that replace, parallel, supplant, compete with or duplicate existing apprenticeship programs." The Division of Apprenticeship Standards (DAS) reports that there is no existing apprenticeship program in the San Diego area specifically for building maintenance workers. The only Building Maintenance apprenticeship program is located in northern California. Therefore, the proposed apprenticeship training does not compete with any Building Maintenance apprenticeship programs in San Diego. The proposed building maintenance training and its hours are consistent with CTI's previous ETP Agreement.

RECOMMENDATION:

Staff recommends that the Panel approve this proposal and the wage minimum modification of \$9.00 per hour for the CalWORKs recipients. Trainees will be trained in specific, job-related skills and placed into secure, full-time employment in specialized occupations in office healthcare jobs, manufacturing, and property maintenance with demonstrated wage increases.

NARRATIVE:

This proposal is a continuation of CTS's current ETP Agreement (ET06-0101), which provides training for Production Workers, Building Maintenance Workers, Medical Receptionists/Billing Clerks and Medical Assistants. In addition, CTS also began an ETP W2W Pilot program Agreement in November 2006.

Employer Demand

Panel policy requires multiple employer contractors to provide evidence of employer demand for training. CTS representatives state that there is employer demand for all of the occupations included in its application. According to CTS, Medical Receptionist/Billing Clerks, Medical Assistants continue to be in demand in the San Diego region, with a 23% growth rate projected over the next six years according to San Diego Association of Governments/California Employment Development Department. The healthcare industry is faced with a shortage of skilled entry level personnel to meet this growing need in healthcare services. A similar shortage exists for building maintenance workers. The projected growth rate for this occupation is 20.8%, with 2,025 job openings over the next two years. Basic Manufacturing Techniques are utilized in many production and industrial job settings such as defense, recreational (boating/shipping, surfing), and transportation. Since September 11, the defense industry has experienced high growth and demand for defense and transportation products.

CTS also works closely with employer Industrial Advisory Boards who represent various local medical groups, building maintenance organizations, and Manufacturing Advisory Boards who meet on a quarterly basis at CTS facilities to offer updates and input to the CTS curricula. CTS

NARRATIVE: (continued)

was recently contacted by representatives of several manufacturers that have experienced increased business as a result of homeland defense needs. These companies indicated that they now need better qualified manufacturing workers. They have provided CTS with specific input into the proposed 195 hour manufacturing curriculum. The manufacturing training and manufacturing worker occupation has not been previously included as an occupation in a CTS ETP-funded training project.

CTS has established a referral system with the San Diego County Health and Human Services Agency to provide CalWORKs eligible trainees. In CTS's current W2W pilot project (ET07-0169), CTS has enrolled 23 of 60 total trainees in the first six months of the Agreement term.

CTS also conducted post training assessment surveys with all of its current participating employers for input and to determine the length of training in each topic of the proposed curriculum. For medical insurance billing/receptionist and medical assistant training, employers continually review equipment and training materials in addition to determining the computer software to be used during training. CTS received commitments from 73 employers in the San Diego area to retain trainees in employment following training.

Employer Commitment to Continued Training for New Hires

CTS states that, based on several years of working with employers in the property building maintenance, manufacturing, and medical industries, employers provide various in-kind contributions. These contributions include donating supplies, equipment, and employer time to conduct company tours and/or on-site mock interviews. Core employers have committed to continue providing training during the 90-day retention period that is specific to their company. Customized training during the retention period for medical billing clerk/receptionist/assistant includes training in the use of specialized software tailored to hospitals, small offices and clinics that differ from the medical manager software used by CTS during pre-employment training.

Employers provide approximately 160 hours of training for each new-hire in their own client procedures on internal paperwork/forms, use of certain equipment such as EKG machines, non-state required legal procedures and customized lab techniques training which is given during retention. CTS also reports that building maintenance new-hires receive up to 240 hours of training during retention which includes customer relations, purchasing/ordering parts, scheduling work orders, and advanced painting, plumbing, electrical, air-conditioning, pool maintenance and sprinkler repair that are not covered by the CTS training plan. For the proposed training for manufacturing workers, CTS obtained commitments from its core group of manufacturing employers to provide a minimum of 200 hours of training for each worker on the specialized equipment used by each employer.

In addition, CTS contributes additional training (133 hours) not included in the cost to ETP. Furthermore, CTS provides post-training employment preparation services that include Work Readiness, Resume Development, Job Search Technique training and Vocational English as a Second Language training for limited English speakers.

NARRATIVE: (continued)

According to CTS, these services are essential to assisting persons who are limited in English or have low educational skills to obtain the rudimentary job seeking skills and basic language skills required for employment. CTS states that these skills are necessary in a competitive environment and will assist the trainees in the future as they move up the career ladder.

SUBCONTRACTORS:

None.

THIRD PARTY SERVICES:

Applicant states that no consultant services were or will be used in this Agreement.

PRIOR PROJECTS:

The following are completed project statistics for ETP Agreements with this Contractor within the last five years:

PRIOR PROJECTS						
Agreement Number	Location (City)	Term	Contract Amount	Amount Earned	<i>Planned</i> In-kind Contribution	<i>Reported</i> In-kind Contribution
ET01-0103	Imperial Beach San Diego Oceanside	07/17/00 - 07/16/02	\$311,200	76%	*N/A	*N/A
ET02-0200	Imperial Beach San Diego Oceanside	12/31/01 - 12/30/03	\$526,950	84%	\$355,600	\$324,500
ET04-0439	Imperial Beach San Diego Oceanside	10/06/03 – 10/05/05	\$622,400	79%	\$318,750	\$251,813

* At the time of approval and implementation of this Agreement, ETP policy did not require an employer contribution. Therefore, employer contribution was not tracked. However, CTS estimates that the employer's in-kind was at the relative level projected for this Agreement.

ACTIVE PROJECTS:

The following are current project statistics:

ACTIVE PROJECTS						
Agreement Number	Agreement Amount	Term	Planned Number To Be Retained	Number Enrolled	Number Completed Training	Number Retained For 90 Days
ET06-0101	\$560,160	07/06/05-07/05/07	100	113	80	58
ET07-0169	\$286,595	11/15/06-11/14/08	60	23	3	0

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CURRICULUM

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks: Medical Assistant
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Job Number 1 & 3

262

A. Introduction to Medical Office Procedures

1. Responsibilities of Medical Assistants
2. Patient Communication Skills
3. Obtaining Medical Information From Patient
4. Procedures of Documentation

B. Introduction Medical Terminology

1. Medical Terms and Definitions
2. Pronunciation and Spelling of Terms
3. Knowledge of Root Words, Suffixes and Prefixes
4. Application of Medical Terms to Forms

C. Medical Terminology

1. Medical Terms of Anatomy
2. Medical Terms of Muscular System
3. Medical Terms of Nervous System
4. Medical Terms in Day to Day Office Use

D. Medical Reference Materials

1. Use of Medical Reference Materials
2. Use of Physicians Desk Reference

E. Basic First Aid and CPR

1. Bandage Techniques for Hemmorages and Abrasions
2. CRP Techniques
3. CPR Certification

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CURRICULUM (continued)

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks: Medical Assistant (continued)
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Job Number 1 & 3	F. Basic Math
262	Conversion from American System to Metric system

G. Anatomy and Physiology

1. Identification of Anatomy
2. Muscular System
3. Nervous System
4. Skeletal Structure
5. Digestive System
6. Lymphatic System
7. Functions of Blood Cells
8. Ear and Eye Functions

H. Medical Assisting Procedures

1. Prepare and Review Patient Charts
2. Interview Patients
3. Prepare Exam Room
4. Prepare Equipment and Supplies
5. Vital Signs
6. Assist Physician in Minor Surgery
7. Draping and Positioning for Exam
8. Pap Smear Set-Up Examination
9. EKG Readings and Application Techniques
10. Perform Pregnancy Tests
11. Application of Bandages and Splints

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CURRICULUM (continued)

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks: Medical Assistant (continued)
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Job Number 1 & 3

262

I. Pharmacology

1. Identification and Definitions of Drugs
2. Sources of Drugs
3. Drug Names and Uses
4. Drug Reference
5. Drug Dosage
6. Prescriptions

J. Laboratory Procedures

1. Lab Equipment Identification and Functions
2. Proper Use and Operation of Equipment
3. Sterilization of Medical Instruments
4. Lab Safety Procedures
5. Hematology
6. Urinalysis
7. Microbiology
8. Perform Lab Tests
9. Assisting Physician
10. Set-up of Medical Trays

K. Clinical Injections and Venipuncture Procedures

1. Proper Positioning of Patients
2. Safety Techniques of Handling Syringes
3. Identification of Veins for Injections
4. Proper Preparation and Techniques of Syringe Usage
5. Disposal of Hazardous Waste and Needles

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CURRICULUM (continued)

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks: Medical Insurance Billing Clerk
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Job Number 1 & 3

262

A. Medical Office Procedures

1. Greet Clients/Patients in Friendly Manner
2. Cross Index/Reference
3. Alphabetizing and Filing Patient Charts
4. Update Patient Information on Ledger Cards
5. Patient Confidentiality
6. Scheduling Patient Appointments
7. Determining Emergencies

B. Medical Terminology

1. Pronunciation of Medical Terminology
2. Spelling of Medical Terms
3. Medical Terminology Definitions
4. Root Words, Suffixes, and Prefixes
5. Medical Terms to Describe Body Positions and Locations
6. Common Terms Utilized in Physical Exams

C. Math for Medical Usage

1. Addition and Subtraction
2. Division and Multiplication
3. Conversion of Fractions to Decimals
4. Conversion of Fahrenheit to Centigrade
5. Conversion of Standard Medical Metric Measures

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CURRICULUM (continued)

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks:
	Medical Insurance Billing Clerk (continued)

Job Number 1 & 3	D. <u>Basic First Aid & CPR</u>
262	<ol style="list-style-type: none">1. Identify Common Medical Emergencies2. Control Hemorrhages3. Treatment of Fractures4. Universal Precautions of HIV and Hepatitis Infections5. CPR Techniques
	E. <u>Use of Medical Reference Materials</u>
	<ol style="list-style-type: none">1. Word Identification, Spelling, and Definitions2. Telephone References for Government, Social Service, and Health Organizations3. Medical Reference Book Use (i.e., PDR)4. Medical Dictionary Use
	F. <u>Introduction to Anatomy & Physiology</u>
	<ol style="list-style-type: none">1. Circulatory System2. Nervous System3. Digestive System4. Reproductive System5. Muscular System6. Sense Organs7. Urinary System8. Skeletal System9. Endocrine System

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CURRICULUM (continued)

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks:
	Medical Insurance Billing Clerk (continued)

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| Job Number 1 & 3 | <u>G. Introduction to Medical Insurance Billing</u> |
| 262 | <ol style="list-style-type: none">1. Introduction to Coding Systems: International Classification Diseases-9, Current Procedural Terminology, & HealthCare Finance and Administration Common Procedural Coding System2. Private Insurance Terminology3. Introduction to Billing Forms4. Proper Use of Code Book |
| | <u>H. Medical Insurance Billing</u> |
| | <ol style="list-style-type: none">1. Introduction to Billing Software2. Software Billing Functions3. Introduction to Medical Insurance Programs such as Health Maintenance Organization's, Preferred Provider Organization's, CHAMPUS, Medicare/Medical4. Correctly Bill with Single or Concurrent Coverage International Classification Diseases - 9, Current Procedural Terminology |
| | <u>I. Medical Bookkeeping</u> |
| | <ol style="list-style-type: none">1. Demonstrates Knowledge of Insurance Coding2. Demonstrates Ability to Verify Insurance Coverage3. Ability to Perform Cashiering4. Knowledge of Basic Accounting – Credits/Debits5. Knowledge of Accounts Payable/Receivable6. Demonstrates Knowledge of Office Fee Structure |

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CURRICULUM (continued)

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks: Medical Insurance Billing Clerk (continued)
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| Job Number 1 & 3 | J. <u>Medical Bookkeeping</u> (continued) |
| 262 | <ul style="list-style-type: none">7. Ability to Record Payments8. Ability to Invoice for Services9. Ability to Maintain Up-To-Date Record Keeping10. Ability to Maintain Payroll Records
K. <u>Correspondence for Medical Office</u> <ul style="list-style-type: none">1. Formatting for Medical Correspondence2. Familiarity with Medical Terms3. Typing Documents, Editing, Setting-Up Patient Charts |

Building Maintenance

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| Job Number 1 & 3 | A. <u>Introduction to Property Building Maintenance</u> |
| 262 | <ul style="list-style-type: none">1. Measurements2. Purchasing Procedures3. Customer Service4. Property Service Orders
B. <u>Pool Maintenance</u> <ul style="list-style-type: none">1. Water PH and Chlorine Testing2. Clean and Replace Filters
C. <u>Sprinklers</u> <ul style="list-style-type: none">1. Repair Sprinkler Heads2. Replace Sprinkler Pipes3. Adjust Valves |

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CURRICULUM (continued)

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks: Building Maintenance (continued)
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Job Number 1 & 3

262

D. Lighting Repair

1. Terminology: Volts, Amps, Watts,
2. Tool Identification
3. Shop Safety
4. Replacing Lights
5. Replacing Switches
6. Low Voltage Wiring
7. Repairing

E. Wall and Door Repair

1. Tool Identification
2. Measuring
3. Cutting Techniques
4. Drilling Techniques
5. Fastening Techniques
6. Finishing Techniques
7. Hanging Doors & Shelves
8. Wall & Panel Repair

F. Bathroom and Kitchen Fixtures

1. Identification of Piping Materials
2. Familiarity With Water Supply and Drainage Flow
3. Identification of Faucets and Valves
4. Replace and Repair Faucets, Handles and Valves
5. Techniques for Unclogging Drains
6. Replace Fixtures
7. Installing Washers and Connecting Water Supply

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CURRICULUM (continued)

Class/Lab Hours	Jobs 1 & 3 Trainees will receive training in one of 3 tracks: Building Maintenance (continued)
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Job Number 1 & 3

262

G. Furnace and Air Conditioning Maintenance

1. Terminology, Tool Identification, and Safety
2. Replacing Filters
3. Furnace Duct Maintenance
4. Air Conditioners Cleaning
5. General Maintenance

H. Appliance Repair Basics

1. Tools and Equipment Identification
2. Troubleshooting Techniques
3. Appliance Wiring
4. Safety
5. Types of Electric Motors
6. Repair/Replace Motors
7. Repair Refrigeration Systems
8. Troubleshoot Systems
9. Dishwasher Familiarity
10. Repair Pumps, Heating Elements, Motors
11. Dryer Repair
12. Water Heater Repair
13. Maintenance Installation
14. Ranges: Installation and Repair
15. Disposal: Installation and Repair

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CURRICULUM (continued)

Class/Lab Hours	Jobs 2 & 4 Trainees will receive the following:
	Manufacturing Staff (continued)
Job Number 2 & 4	A. <u>Introduction to Manufacturing</u> 1
195	1. Industry Overview 2. Career Growth Opportunities
	B. <u>Shop Safety</u> 8
	1. Proper Use of Hand tools 2. Shop Safety Clothing & Gear 3. Proper Use of Cutting Equipment 4. Proper Use of Adhesives
	C. <u>Basic Shop Math</u> 39
	1. Addition, Subtraction, Multiplication 2. Decimals 3. Fractions 4. Ratios 5. Areas
	D. <u>Precision Tools and Measuring Instruments</u> 8
	1. Rulers, Tapes 2. Calipers 3. Gauges

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CURRICULUM (continued)

Class/Lab Hours	Jobs 2 & 4 Trainees will receive the following:
	Manufacturing Staff (continued)
Job Number 2 & 4 195	E. <u>Blueprint Reading</u> 39 <ul style="list-style-type: none">1. Lines2. Views3. Title Block4. Materials5. Dimensional Views F. <u>Basic Manufacturing Applications</u> 53 <ul style="list-style-type: none">1. Assembling parts2. Mixing Adhesives/Bonding3. De-burring4. Grinding5. Drilling G. <u>Introduction to Welding</u> 39 <ul style="list-style-type: none">1. Lay Out2. Tools3. Burning4. Electrode Beads